



Finance & Tax Committee

November 10, 2005

8:00 AM – 12:00 PM

404 HOB

Meeting Packet

**Allan Bense
Speaker**

**Fred Brummer
Chair**



The Florida House of Representatives

Fiscal Council

Finance & Tax Committee

Allan G. Bense
Speaker

Fred Brummer
Chair

AGENDA

November 10, 2005
8:00 AM – 12:00 PM
404 HOB

- I. Chairman's Remarks
- II. **HB 103** – Property Appraiser Assessments by Representative McInvale
- III. **HB 209** – Annual Intangible Personal Property Tax by Representative Brummer
- IV. Adjourn

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 103
SPONSOR(S): McInvale
TIED BILLS:

Property Appraiser Assessments

IDEN./SIM. BILLS: SB 152

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Finance & Tax Committee		Monroe <i>KDM</i>	Diez-Arguelles <i>[Signature]</i>
2) Local Government Council			
3) Fiscal Council			
4) _____			
5) _____			

SUMMARY ANALYSIS

Section 193.023, F.S., requires that real property must be physically inspected every three years for purposes of assessing the value of the property. This bill would require the property appraiser to physically inspect the property every 5 years. In addition, the property appraiser would be "required to review, as he or she deems necessary," satellite images, aerial photos and other similar images.

This bill would take effect upon becoming law.

The bill has no fiscal impact on the state, and an indeterminate fiscal impact on local revenues.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Section 193.023, F.S., requires that real property must be physically inspected every three years for purposes of assessing the value of the property. This bill would require the property appraiser to physically inspect the property every five years. In addition, the property appraiser would be "required to review, as he or she deems necessary," satellite images, aerial photos and other similar images.

As noted in the background information, the change from physically inspecting property every three years to every five years would fall within the commonly accepted professional standards. In addition, while this statutory change would require that property be inspected every five years, property appraisers would be free to inspect property more often if they deemed it necessary.

Background:

Section 4, Article VII, of the Florida Constitution, requires a just valuation of all property for ad valorem taxation, with certain exceptions. Florida property appraisers have the statutory responsibility to list and determine the just value of all real property in each county each year for purposes of ad valorem taxation. Section 193.085(1), F.S.

Section 193.023, F.S., provides that property appraisers must complete an assessment of the value of all property no later than July 1 of each year, except that the Department of Revenue may for good cause extend the time for completion of assessment of all property. This section provides that in making the assessment of the value of real property, the property appraiser must physically inspect each property every three years to ensure that the tax roll meets all the requirements of law. In addition, the property appraiser must physically inspect any parcel of taxable real property upon the request of the taxpayer or owner. In valuing property in accordance with constitutional and statutory requirements, the property appraiser may adjust the assessed value placed on any parcel or group of parcels based on mass data collected, on ratio studies prepared by an agency authorized by law, or pursuant to regulations of the Department of Revenue.

Section 195.022, F.S., requires the Department of Revenue to provide aerial photographs every three years to the state's 67 property appraisers. Many property appraisers rely on the use of aerial photography for discovery, location, and identification of property characteristics. A schedule of counties to be flown each year (approximately one third of the state) has been developed to ensure that this requirement is met. This is accomplished through an interlocal agreement with the Department of Transportation to provide photo enlargements to the counties. However, due to workload and resource allocation, the Department of Transportation is often unable to fly all counties that have been scheduled. As a result, the Department of Revenue contracts with private aerial photography firms to fly the remaining counties.

The International Association of Assessing Officers publishes advisory standards to assist assessing officers in the improvement and standardization of their offices. The 2002 Standard on Mass Appraisal of Real Property recommends that property be physically reviewed and individually reappraised every four to six years.

C. SECTION DIRECTORY:

Section 1 of the bill amends s. 193.023, F.S., to require that property appraisers physically inspect property every five years instead of every three years. In addition, property appraisers are required to review, as they deem necessary, satellite images, aerial photos and other similar images.

Section 2 provides that the bill shall take effect upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

Indeterminate. To the extent that changes in physical inspection requirements result in changes in the tax roll they may either increase or decrease local revenues.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Some property appraisers have expressed concerns that with a requirement that property be inspected every five years they will not be given enough resources to inspect property on a more regular basis.

The bill states that the property appraiser is "required" to review certain images "as he or she deems necessary." The use of the word "required" would appear to make this review mandatory, while the discretion granted to the property appraiser by the later phrase would appear to make this review voluntary. The language could be seen as creating a new duty on the part of the property appraiser.

In addition, by listing satellite imaging, aerial photos, and other "similar imagery" as being different from a physical inspection, the language may prevent property appraisers from using other emerging technology to perform physical inspections in the future.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

None.

1 A bill to be entitled

2 An act relating to property appraiser assessments;
3 amending s. 193.023, F.S.; providing property appraisers
4 with additional methods for inspecting real property for
5 assessment purposes in addition to physical inspections;
6 reducing the required frequency of physical inspections;
7 providing an effective date.

8
9 Be It Enacted by the Legislature of the State of Florida:

10
11 Section 1. Subsection (2) of section 193.023, Florida
12 Statutes, is amended to read:

13 193.023 Duties of the property appraiser in making
14 assessments.--

15 (2) In making his or her assessment of the value of real
16 property, the property appraiser is required to review, as he or
17 she deems necessary, current satellite imagery, aerial
18 photographs, or similar imagery, if available, and inspect
19 physically inspect the property every 5 ~~3~~ years to ensure that
20 the tax roll meets all the requirements of law. However, the
21 property appraiser shall physically inspect any parcel of
22 taxable real property upon the request of the taxpayer or owner.



23 Section 2. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 209
SPONSOR(S): Brummer
TIED BILLS:

Annual Intangible Personal Property Tax

IDEN./SIM. BILLS: SB 260

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Finance & Tax Committee		Levin 	Diez-Arguelles 
2) Fiscal Council			
3)			
4)			
5)			

SUMMARY ANALYSIS

Chapter 199, F.S., imposes two different intangible personal property taxes: an annual (or recurring) tax is imposed at the rate of .5 mill on the value of stocks, bonds, notes, and other intangible personal property having a taxable situs in Florida; as well as a non-recurring tax on obligations for the payment of money secured by liens on Florida real property at the rate of 2 mills. Individuals and businesses are currently obligated to pay an annual (recurring) tax on stocks, bonds, notes, and interests in limited partnerships registered with the Securities and Exchange Commission (SEC). Current law exempts from the annual (recurring) tax \$250,000 of intangible personal property for each natural person and \$500,000 for each natural person and spouse filing a joint return. The law also provides a \$250,000 exemption for intangible personal property of corporations and other legal entities.

This bill repeals the .5 mill annual (recurring) tax imposed on stocks, bonds, notes, and other intangible property. No change is made to the 2 mills non-recurring tax imposed upon obligations secured by liens on Florida property.

The fiscal impact of the bill is a negative \$123.8 million in state revenues and a negative \$.6 million in local revenues in FY 2006-2007, and a negative \$156 million in state revenues and a negative \$.6 million in local revenues in FY 2007-2008.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Ensure lower taxes: After December 31, 2006, Florida taxpayers will no longer be required to pay the annual intangible personal property tax.

B. EFFECT OF PROPOSED CHANGES:

Current taxes:

Chapter 199, F.S., currently imposes two different intangible personal property taxes: an annual (or recurring) tax is imposed at the rate of .5 mill on the value of stocks, bonds, notes, and other intangible personal property having a taxable situs in Florida; as well as a non-recurring tax on obligations for the payment of money secured by liens on Florida real property at the rate of 2 mills. Individuals and businesses are currently obligated to pay an annual (recurring) tax on stocks, bonds, notes, governmental leaseholds, and interests in limited partnerships registered with the Securities and Exchange Commission (SEC). Current law exempts from the annual (recurring) tax \$250,000 of intangible personal property for each natural person and \$500,000 for each natural person and spouse filing a joint return. The law also provides a \$250,000 exemption for intangible personal property for all other taxpayers, including corporations and other legal entities.

History of the Intangible Taxes:

The Florida Constitution caps the rate of the intangibles tax at 2 mills. In 1992, the rate was raised from 1.5 to 2 mills. In 1998, several significant changes were made to the annual intangibles tax. The minimum amount of the annual tax due was raised from \$5 to \$60. One-third of accounts receivable were exempted from the tax and the Legislature expressed the intent to completely exempt accounts receivable from the tax. In 1999, the Legislature reduced the rate to 1.5 mills and increased the exemption for accounts receivable to two-thirds. In 2000, the Legislature further reduced the rate to 1 mill and completely exempted accounts receivable from this tax. Effective January 2004, the personal exemptions were increased from \$20,000 to \$250,000 for individuals and from \$40,000 to \$500,000 for married couples filing a joint return. In 2005, the Legislature reduced the annual tax to .5 mill, effective January 1, 2006.

Tax changes made by the bill:

This bill eliminates the .5 mill annual (recurring) intangible personal property tax imposed pursuant to Chapter 199, F.S. There are various provisions elsewhere in the Florida Statutes which contain references to the recurring intangible tax, and these references are also repealed. The bill also provides that certain leasehold and other possessory interests in governmental lands will continue to be taxed only as intangible personal property pursuant to Chapter 199, F.S., as it existed prior to January 1, 2007. No changes are made to the non-recurring 2 mills tax on notes and obligations secured by liens on Florida realty.

C. SECTION DIRECTORY:

Section 1. Repeals all of Part I of Chapter 199, Intangible Personal Property Taxes. Also repeals s.199.175, F.S., concerning the taxable situs of property formerly subject to the tax and s.199.185, F.S., which exempts certain intangible property from the annual and non-recurring taxes.

Section 2. Eliminates a reference to s. 199.183 (1), F.S., found in s. 28.35, F.S., the Florida Clerks of Court Operations Corporation.

Section 3. Amends s. 192.0105, F.S., Florida Taxpayer's Bill of Rights, to correct a reference to the right of confidentiality in s. 193.114(5), F.S.

Section 4. Amends s. 192.032, F.S., to eliminate a reference to the situs of intangible personal property and renumber subsequent sections of the statute.

Section 5. Amends s. 192.042, F.S., to eliminate a reference to the date of assessment for intangible personal property.

Section 6. Amends s. 192.091, F.S., to eliminate a reference to commissions on intangible property taxes in a section concerning property appraisers and tax collectors.

Section 7. Amends s. 193.114, F.S., to eliminate the Department of Revenue's duty to promulgate regulations and forms for developing intangible property tax rolls.

Section 8. Amends s. 196.015, F.S., to eliminate the filing of an intangible tax return as evidence of permanent residency.

Section 9. Amends s.196.199(2)(b), F.S., to preserve the intangible tax on leaseholds or other possessory interests defined by s. 199.023(1)(d), F.S., as the definition existed prior to January 1, 2007.

Sections 10. Amends s. 199.133, F.S., to eliminate references to the levy of the annual intangible tax.

Sections 11. Eliminates references to the payment of the annual tax contained in s. 199.183, F.S. A reference to leasehold and other possessory interests previously defined by s. 199.0023(1)(d), F.S. is also eliminated

Section 12. Eliminates the requirement for brokers to preserve all books and records relating to the information reporting requirements of s. 199.218, F.S.

Section 13. Eliminates references to the failure to file the annual intangible tax return contained in s. 199.232, F.S.

Section 14. Eliminates references to the penalties for failure to pay the annual tax contained in s.199.282, F.S.

Section 15. Eliminates references in s. 199.292, F.S., to the disposition of revenues from the annual leasehold tax described in s. 199.023(1) (d), F.S.

Section 16. Amends s. 199.303, F.S., to state legislative intent that all intangible taxes due and owing for calendar year 2006 and prior years be paid, assessed and audited.

Section 17. Eliminates references to the intangible tax in s. 212.02(19), F.S.

Section 18. Amends s. 213.053, F.S., to eliminate confidentiality of information relative to s. 199.1055, F.S.

Section 19. Repeals references to tax exemptions claimed pursuant to s. 199.185(1)(i), F.S., contained within s. 213.054, F.S.

Section 20. Amends s. 213.27, F.S., to eliminate language permitting the DOR to contract with businesses to identify sources of intangible tax liability.

Sections 21 and 22. Eliminate tax credits under ss. 220.1845 and 376.30781, F.S., for annual intangible taxes paid and strike references to Chapter 199, F.S.

Section 23. Amends an exemption found in s. 493.6102, F.S., for security officers of churches and cemeteries, which were previously defined by a reference to s. 199.183(2)(a), F.S.

Section 24. Eliminates a reference to intangible tax as a source of revenue contained within s. 650.05, F.S.

Section 25. Amends a reference in s. 655.071, F.S., to an "international banking facility" from a definition found in s. 199.023, F.S., to a definition found in s. 201.23, F.S.

Section 26. Effective January 1, 2009, amends s. 733.702, F.S., to eliminate language which allowed the Department of Revenue to file claims against an estate for intangibles tax.

Section 27. Permits the Department of Revenue to enact emergency rules to implement the changes made by the bill, once the bill becomes law.

Section 28. Unless otherwise provided in the Act, provides an effective date of January 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill is estimated to have the following fiscal impacts on government. The Revenue Estimating Conference will meet later this year to adopt an official estimate.

	<u>FY 2006-2007</u>	<u>FY 2007-2008</u>
General Revenue	(\$123.8 m)	(\$156 m)

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

	<u>FY 2006-2007</u>	<u>FY 2007-2008</u>
Local Revenue	(\$.6 m)	(\$.6 m)

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals and businesses will no longer pay annual intangibles tax.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds, does not reduce a county's authority to raise revenues and does not reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

B. RULE-MAKING AUTHORITY:

The Department of Revenue is given rule making authority to promulgate emergency rules upon the bill becoming law.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Section 15 of the bill as currently drafted eliminates language directing the revenues from leaseholds described in s. 199.023(1)(d), F.S., to the local school boards. If the intangibles tax on leaseholds is to be retained, then section 15 of the bill needs to be removed.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

HB 209

2006

A bill to be entitled

An act relating to the annual intangible personal property tax; repealing ss. 199.012, 199.023, 199.032, 199.033, 199.042, 199.052, 199.057, 199.062, 199.103, 199.1055, 199.106, 199.175, and 199.185, F.S., relating to the annual intangible personal property tax; amending s. 199.303, F.S.; providing additional legislative intent relating to the annual intangible personal property tax; amending ss. 28.35, 192.0105, 192.032, 192.042, 192.091, 193.114, 196.015, 196.199, 199.133, 199.183, 199.218, 199.232, 199.282, 199.292, 212.02, 213.053, 213.054, 213.27, 220.1845, 376.30781, 493.6102, 650.05, 655.071, and 733.702, F.S., to conform provisions to the repeal of the annual intangible personal property tax; providing for application of certain collection, administration, and enforcement provisions to taxation of certain leaseholds; authorizing the Department of Revenue to adopt emergency implementing rules for a certain time; providing effective dates.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Sections 199.012, 199.023, 199.032, 199.033, 199.042, 199.052, 199.057, 199.062, 199.103, 199.1055, 199.106, 199.175, and 199.185, Florida Statutes, are repealed.

Section 2. Paragraph (c) of subsection (1) of section 28.35, Florida Statutes, is amended to read:

28.35 Florida Clerks of Court Operations Corporation. --

HB 209

2006

(1)

(c) ~~For the purposes of s. 199.183(1),~~ The corporation shall be considered a political subdivision of the state and shall be exempt from the corporate income tax. The corporation is not subject to the procurement provisions of chapter 287 and policies and decisions of the corporation relating to incurring debt, levying assessments, and the sale, issuance, continuation, terms, and claims under corporation policies, and all services relating thereto, are not subject to the provisions of chapter 120.

Section 3. Paragraph (a) of subsection (4) of section 192.0105, Florida Statutes, is amended to read:

192.0105 Taxpayer rights.--There is created a Florida Taxpayer's Bill of Rights for property taxes and assessments to guarantee that the rights, privacy, and property of the taxpayers of this state are adequately safeguarded and protected during tax levy, assessment, collection, and enforcement processes administered under the revenue laws of this state. The Taxpayer's Bill of Rights compiles, in one document, brief but comprehensive statements that summarize the rights and obligations of the property appraisers, tax collectors, clerks of the court, local governing boards, the Department of Revenue, and taxpayers. Additional rights afforded to payors of taxes and assessments imposed under the revenue laws of this state are provided in s. 213.015. The rights afforded taxpayers to assure that their privacy and property are safeguarded and protected during tax levy, assessment, and collection are available only insofar as they are implemented in other parts of the Florida

57 Statutes or rules of the Department of Revenue. The rights so
58 guaranteed to state taxpayers in the Florida Statutes and the
59 departmental rules include:

60 (4) THE RIGHT TO CONFIDENTIALITY.--

61 (a) The right to have information kept confidential,
62 including federal tax information, ad valorem tax returns,
63 social security numbers, all financial records produced by the
64 taxpayer, Form DR-219 returns for documentary stamp tax
65 information, and sworn statements of gross income, copies of
66 federal income tax returns for the prior year, wage and earnings
67 statements (W-2 forms), and other documents (see ss. 192.105,
68 193.074, 193.114 (5) ~~(6)~~, 195.027(3) and (6), and 196.101(4)(c)).

69 Section 4. Subsections (5), (6), and (7) of section
70 192.032, Florida Statutes, are amended to read:

71 192.032 Situs of property for assessment purposes.--All
72 property shall be assessed according to its situs as follows:

73 ~~(5) Intangible personal property, according to the rules~~
74 ~~laid down in chapter 199.~~

75 (5) ~~(6)~~ (a) Notwithstanding the provisions of subsection
76 (2), personal property used as a marine cargo container in the
77 conduct of foreign or interstate commerce shall not be deemed to
78 have acquired a taxable situs within a county when the property
79 is temporarily halted or stored within the state for a period
80 not exceeding 180 days.

81 (b) "Marine cargo container" means a nondisposable
82 receptacle which is of a permanent character, strong enough to
83 be suitable for repeated use; which is specifically designed to
84 facilitate the carriage of goods by one or more modes of

HB 209

2006

85 transport, one of which shall be by ocean vessel, without
86 intermediate reloading; and which is fitted with devices
87 permitting its ready handling, particularly in the transfer from
88 one transport mode to another. The term "marine cargo container"
89 includes a container when carried on a chassis but does not
90 include a vehicle or packaging.

91 (6)~~(7)~~ Notwithstanding any other provision of this
92 section, tangible personal property used in traveling shows such
93 as carnivals, ice shows, or circuses shall be deemed to be
94 physically present or habitually located or typically present
95 only to the extent the value of such property is multiplied by a
96 fraction, the numerator of which is the number of days such
97 property is present in Florida during the taxable year and the
98 denominator of which is the number of days in the taxable year.
99 However, railroad property of such traveling shows shall be
100 taxable under s. 193.085(4)(b) and not under this section.

101 Section 5. Subsection (3) of section 192.042, Florida
102 Statutes, is amended to read:

103 192.042 Date of assessment.--All property shall be
104 assessed according to its just value as follows:

105 ~~(3) Intangible personal property, according to the rules~~
106 ~~laid down in chapter 199.~~

107 Section 6. Subsections (5) and (6) of section 192.091,
108 Florida Statutes, are amended to read:

109 192.091 Commissions of property appraisers and tax
110 collectors.--

HB 209

2006

(5) ~~Provided, that~~ The provisions of this section shall not apply to commissions on ~~intangible property taxes or~~ drainage district or drainage subdistrict taxes ~~.; and~~

(6) ~~If Provided, further, that where~~ any property appraiser or tax collector in the state is receiving compensation for expenses in conducting his or her office or by way of salary pursuant to any act of the Legislature other than the general law fixing compensation of property appraisers, such property appraiser or tax collector may file a declaration in writing with the board of county commissioners of his or her county electing to come under the provisions of this section, and thereupon such property appraiser or tax collector shall be paid compensation in accordance with the provisions hereof, and shall not be entitled to the benefit of the said special or local act. If such property appraiser or tax collector does not so elect, he or she shall continue to be paid such compensation as may now be provided by law for such property appraiser or tax collector.

Section 7. Subsections (4), (5), and (6) of section 193.114, Florida Statutes, are amended to read:

193.114 Preparation of assessment rolls.--

~~(4) The department shall promulgate regulations and forms for the preparation of the intangible personal property roll to comply with chapter 199.~~

~~(4)-(5)~~ For every change made to the assessed or taxable value of a parcel on an assessment roll subsequent to the mailing of the notice provided for in s. 200.069, the property appraiser shall document the reason for such change in the

139 public records of the office of the property appraiser in a
140 manner acceptable to the executive director or the executive
141 director's designee. For every change that decreases the
142 assessed or taxable value of a parcel on an assessment roll
143 between the time of complete submission of the tax roll pursuant
144 to s. 193.1142(3) and mailing of the notice provided for in s.
145 200.069, the property appraiser shall document the reason for
146 such change in the public records of the office of the property
147 appraiser in a manner acceptable to the executive director or
148 the executive director's designee. Changes made by the value
149 adjustment board are not subject to the requirements of this
150 subsection.

151 ~~(5)(6)~~ For proprietary purposes, including the furnishing
152 or sale of copies of the tax roll under s. 119.07(1), the
153 property appraiser is the custodian of the tax roll and the
154 copies of it which are maintained by any state agency. The
155 department or any state or local agency may use copies of the
156 tax roll received by it for official purposes and shall permit
157 inspection and examination thereof under s. 119.07(1), but is
158 not required to furnish copies of the records. A social security
159 number submitted under s. 196.011(1) is confidential and exempt
160 from s. 24(a), Art. I of the State Constitution and the
161 provisions of s. 119.07(1). A copy of documents containing the
162 numbers furnished or sold by the property appraiser, except a
163 copy furnished to the department, or a copy of documents
164 containing social security numbers provided by the department or
165 any state or local agency for inspection or examination by the
166 public, must exclude those social security numbers.

HB 209

2006

Section 8. Subsection (9) of section 196.015, Florida Statutes, is amended to read:

196.015 Permanent residency; factual determination by property appraiser.--Intention to establish a permanent residence in this state is a factual determination to be made, in the first instance, by the property appraiser. Although any one factor is not conclusive of the establishment or nonestablishment of permanent residence, the following are relevant factors that may be considered by the property appraiser in making his or her determination as to the intent of a person claiming a homestead exemption to establish a permanent residence in this state:

~~(9) The previous filing of Florida intangible tax returns by the applicant.~~

Section 9. Paragraph (b) of subsection (2) of section 196.199, Florida Statutes, is amended to read:

196.199 Government property exemption.--

(2) Property owned by the following governmental units but used by nongovernmental lessees shall only be exempt from taxation under the following conditions:

(b) Except as provided in paragraph (c), the exemption provided by this subsection shall not apply to those portions of a leasehold or other interest defined by s. 199.023(1)(d), as it existed prior to January 1, 2007, subject to the provisions of subsection (7). Such leasehold or other interest shall be taxed only as intangible personal property pursuant to chapter 199 as it existed prior to January 1, 2007, if rental payments are due in consideration of such leasehold or other interest. All

HB 209

2006

applicable collection, administration, and enforcement
provisions of chapter 199, as it existed prior to January 1,
2007, shall apply to taxation of such leaseholds. If no rental
 payments are due pursuant to the agreement creating such
 leasehold or other interest, the leasehold or other interest
 shall be taxed as real property. Nothing in this paragraph shall
 be deemed to exempt personal property, buildings, or other real
 property improvements owned by the lessee from ad valorem
 taxation.

Section 10. Subsection (2) of section 199.133, Florida
 Statutes, is amended to read:

199.133 Levy of nonrecurring tax; ~~relationship to annual~~
~~tax.~~--

(2) The nonrecurring tax shall apply to a note, bond, or
 other obligation for payment of money only to the extent it is
 secured by mortgage, deed of trust, or other lien upon real
 property situated in this state. Where a note, bond, or other
 obligation is secured by personal property or by real property
 situated outside this state, as well as by mortgage, deed of
 trust, or other lien upon real property situated in this state,
 then the nonrecurring tax shall apply to that portion of the
 note, bond, or other obligation which bears the same ratio to
 the entire principal balance of the note, bond, or other
 obligation as the value of the real property situated in this
 state bears to the value of all of the security; however, if the
 security is solely made up of personal property and real
 property situated in this state, the taxpayer may elect to
 apportion the taxes based upon the value of the collateral, if

HB 209

2006

any, to which the taxpayer by law or contract must look first
for collection. In no event shall the portion of the note, bond,
or other obligation which is subject to the nonrecurring tax
exceed in value the value of the real property situated in this
state which is the security. ~~The portion of a note, bond, or
other obligation which is not subject to the nonrecurring tax
shall be subject to the annual tax unless otherwise exempt.~~

Section 11. Subsections (1), (3), and (4) of section
199.183, Florida Statutes, are amended to read:

199.183 Taxpayers exempt from ~~annual and~~ nonrecurring
taxes.--

(1) Intangible personal property owned by this state or
any of its political subdivisions or municipalities shall be
exempt from taxation under this chapter. This exemption does not
apply to:

~~(a) Any leasehold or other interest that is described in
s. 199.023(1)(d).~~

~~(b)~~ property related to the provision of two-way
telecommunications services to the public for hire by the use of
a telecommunications facility, as defined in s. 364.02(15), and
for which a certificate is required under chapter 364, when the
service is provided by any county, municipality, or other
political subdivision of the state. Any immunity of any
political subdivision of the state or other entity of local
government from taxation of the property used to provide
telecommunication services that is taxed as a result of this
paragraph is hereby waived. However, intangible personal
property related to the provision of telecommunications services

HB 209

2006

provided by the operator of a public-use airport, as defined in s. 332.004, for the operator's provision of telecommunications services for the airport or its tenants, concessionaires, or licensees, and intangible personal property related to the provision of telecommunications services provided by a public hospital, are exempt from taxation under this chapter.

~~(3) Every national bank having its principal place of business in another state, but operating a credit card credit-application processing, customer service, or collection operation in this state, that is not considered a bank under the provisions of 12 U.S.C. s. 1841(c)(2)(F), is exempt from paying the tax imposed by this chapter on credit card receivables owed to the bank by credit card holders domiciled outside this state.~~

~~(4) Intangible personal property that is owned, managed, or controlled by a trustee of a trust is exempt from annual tax under this chapter. This exemption does not exempt from annual tax a resident of this state who has a taxable beneficial interest, as defined in s. 199.023, in a trust.~~

Section 12. Section 199.218, Florida Statutes, is amended to read:

199.218 Books and records.--

~~(1)~~ Each taxpayer shall retain all books and other records necessary to identify the taxpayer's intangible personal property and to determine any tax due under this chapter, as well as all books and other records otherwise required by rule of the department with respect to any such tax, until the department's power to make an assessment with respect to such tax has terminated under s. 95.091(3).

~~(2) Each broker subject to the provisions of s. 199.062 shall preserve all books and other records relating to the information reported under s. 199.062 or otherwise required by rule of the department for a period of 3 years from the due date of the report.~~

Section 13. Paragraph (a) of subsection (1) and subsection (3) of section 199.232, Florida Statutes, are amended to read:

199.232 Powers of department. --

(1)(a) The department may audit the books and records of any person to determine whether ~~an annual tax or~~ a nonrecurring tax has been properly paid.

(3) With or without an audit, the department may assess any tax deficiency resulting from nonpayment or underpayment of the tax, as well as any applicable interest and penalties. The department shall assess on the basis of the best information available to it, including estimates based on the best information available to it if the taxpayer fails to permit inspection of the taxpayer's records, ~~fails to file an annual return,~~ files a grossly incorrect return, or files a false and fraudulent return.

Section 14. Subsections (2), (3), (4), (6), and (8) of section 199.282, Florida Statutes, are amended, and subsections (5), (7), and (9) of that section are renumbered as subsections (4), (5), and (7), respectively, to read:

199.282 Penalties for violation of this chapter. --

(2) If any ~~annual or~~ nonrecurring tax is not paid by the statutory due date, then despite any extension granted under s.

HB 209

2006

199.232(6), interest shall run on the unpaid balance from such due date until paid at the rate of 12 percent per year.

(3)(a) If any ~~annual or~~ nonrecurring tax is not paid by the due date, a delinquency penalty shall be charged. The delinquency penalty shall be 10 percent of the delinquent tax for each calendar month or portion thereof from the due date until paid, up to a limit of 50 percent of the total tax not timely paid.

~~(b) If any annual tax return required by this chapter is not filed by the due date, a penalty of 10 percent of the tax due with the return shall be charged for each calendar month or portion thereof during which the return remains unfiled, up to a limit of 50 percent of the total tax due.~~

~~For any penalty assessed under this subsection, the combined total for all penalties assessed under paragraphs (a) and (b) shall not exceed 10 percent per calendar month, up to a limit of 50 percent of the total tax due.~~

~~(4) If an annual tax return is filed and property is either omitted from it or undervalued, then a specific penalty shall be charged. The specific penalty shall be 10 percent of the tax attributable to each omitted item or to each undervaluation. No delinquency or late filing penalty shall be charged with respect to any undervaluation.~~

~~(6) Late reporting penalties shall be imposed as follows:~~

~~(a) A penalty of \$100 upon any corporation that does not timely file a written notice required under s. 199.057(2)(c).~~

~~(b) An initial penalty of \$10 per customer position statement, plus an additional penalty of the greater of 1 percent of the initial penalty or \$50 for each month or portion of a month, from the date due until filing is made, upon any security dealer or investment adviser who does not timely file or fails to file the statements required by s. 199.062(1). The submission of a position statement that does not comply with the department's specifications and instructions or the submission of an inaccurate position statement is not a timely filing. The department shall notify any security dealer or investment adviser who fails to timely file the required statements. The minimum penalty imposed upon a security dealer or investment adviser under this paragraph is \$100.~~

~~(6)(8)~~ Any person who fails or refuses to ~~file an annual return, or who fails or refuses to~~ make records available for inspection, when requested to do so by the department is guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

Section 15. Section 199.292, Florida Statutes, is amended to read:

199.292 Disposition of intangible personal property taxes.--All intangible personal property taxes collected pursuant to this chapter, ~~except for revenues derived from the annual tax on a leasehold described in s. 199.023(1)(d),~~ shall be deposited into the General Revenue Fund. ~~Revenues derived from the annual tax on a leasehold described in s. 199.023(1)(d) shall be returned to the local school board for the county in which the property subject to the leasehold is situated.~~

HB 209

2006

Section 16. Subsection (3) is added to section 199.303, Florida Statutes, to read:

199.303 Declaration of legislative intent.--

(3) It is hereby declared to be the specific intent of the Legislature that all annual intangible personal property taxes imposed as provided by law for calendar years 2006 and prior shall remain in full force and effect during the period specified by s. 95.091 for the year in which the tax was due. It is further the intent of the Legislature that the department continue to assess and collect all taxes due to the state under such provisions for all periods available for assessment, as provided for the year in which tax was due by s. 95.091.

Section 17. Subsection (19) of section 212.02, Florida Statutes, is amended to read:

212.02 Definitions.--The following terms and phrases when used in this chapter have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

(19) "Tangible personal property" means and includes personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses, including electric power or energy, boats, motor vehicles and mobile homes as defined in s. 320.01(1) and (2), aircraft as defined in s. 330.27, and all other types of vehicles. The term "tangible personal property" does not include stocks, bonds, notes, insurance, or other obligations or securities; ~~intangibles as defined by the intangible tax law of the state;~~ or pari-mutuel tickets sold or issued under the racing laws of the state.

HB 209

2006

Section 18. Paragraph (p) of subsection (7) and paragraph (a) of subsection (14) of section 213.053, Florida Statutes, are amended to read:

213.053 Confidentiality and information sharing. --

(7) Notwithstanding any other provision of this section, the department may provide:

(p) Information relative to ss. ~~199.1055~~, 220.1845, and 376.30781 to the Department of Environmental Protection in the conduct of its official business.

Disclosure of information under this subsection shall be pursuant to a written agreement between the executive director and the agency. Such agencies, governmental or nongovernmental, shall be bound by the same requirements of confidentiality as the Department of Revenue. Breach of confidentiality is a misdemeanor of the first degree, punishable as provided by s. 775.082 or s. 775.083.

(14)(a) Notwithstanding any other provision of this section, the department shall, subject to the safeguards specified in paragraph (c), disclose to the Division of Corporations of the Department of State the name, address, federal employer identification number, and duration of tax filings with this state of all corporate or partnership entities which are not on file or have a dissolved status with the Division of Corporations and which have filed tax returns pursuant to ~~either chapter 199 or chapter 220~~.

Section 19. Section 213.054, Florida Statutes, is amended to read:

HB 209

2006

213.054 Persons claiming tax exemptions or deductions;
annual report.--The Department of Revenue shall be responsible
for monitoring the utilization of ~~tax exemptions and tax~~
deductions authorized pursuant to chapter 81-179, Laws of
Florida. On or before September 1 of each year, the department
shall report to the Chief Financial Officer the names and
addresses of all persons who have claimed ~~an exemption pursuant~~
~~to s. 199.185(1)(i) or~~ a deduction pursuant to s. 220.63(5).

Section 20. Section 213.27, Florida Statutes, is amended
to read:

213.27 Contracts with debt collection agencies and certain
vendors.--

(1) The Department of Revenue may, for the purpose of
collecting any delinquent taxes due from a taxpayer, including
taxes for which a bill or notice has been generated, contract
with any debt collection agency or attorney doing business
within or without this state for the collection of such
delinquent taxes, including penalties and interest thereon. The
department may also share confidential information pursuant to
the contract necessary for the collection of delinquent taxes
and taxes for which a billing or notice has been generated.
Contracts will be made pursuant to chapter 287. The taxpayer
must be notified by mail by the department, its employees, or
its authorized representative at least 30 days prior to
commencing any litigation to recover any delinquent taxes. The
taxpayer must be notified by mail by the department at least 30
days prior to the initial assignment by the department of the

HB 209

2006

taxpayer's account for the collection of any taxes by the debt collection agency.

~~(2) The department may enter into contracts with any individual or business for the purpose of identifying intangible personal property tax liability. Contracts may provide for the identification of assets subject to the tax on intangible personal property, the determination of value of such property, the requirement for filing a tax return and the collection of taxes due, including applicable penalties and interest thereon. The department may share confidential information pursuant to the contract necessary for the identification of taxable intangible personal property. Contracts shall be made pursuant to chapter 287. The taxpayer must be notified by mail by the department at least 30 days prior to the department assigning identification of intangible personal property to an individual or business.~~

(2)~~(3)~~ Any contract may provide, in the discretion of the executive director of the Department of Revenue, the manner in which the compensation for such services will be paid. Under standards established by the department, such compensation shall be added to the amount of the tax and collected as a part thereof by the agency or deducted from the amount of tax, penalty, and interest actually collected.

(3)~~(4)~~ All funds collected under the terms of the contract, less the fees provided in the contract, shall be remitted to the department within 30 days from the date of collection from a taxpayer. Forms to be used for such purpose shall be prescribed by the department.

HB 209

2006

(4)~~(5)~~ The department shall require a bond from the debt collection agency ~~or the individual or business contracted with~~ ~~under subsection (2)~~ not in excess of \$100,000 guaranteeing compliance with the terms of the contract. However, a bond of \$10,000 is required from a debt collection agency if the agency does not actually collect and remit delinquent funds to the department.

(5)~~(6)~~ The department may, for the purpose of ascertaining the amount of or collecting any taxes due from a person doing mail order business in this state, contract with any auditing agency doing business within or without this state for the purpose of conducting an audit of such mail order business; however, such audit agency may not conduct an audit on behalf of the department of any person domiciled in this state, person registered for sales and use tax purposes in this state, or corporation filing a Florida corporate tax return, if any such person or corporation objects to such audit in writing to the department and the auditing agency. The department shall notify the taxpayer by mail at least 30 days before the department assigns the collection of such taxes.

(6)~~(7)~~ Confidential information shared by the department with debt collection or auditing agencies ~~or individuals or businesses with which the department has contracted under subsection (2)~~ is exempt from the provisions of s. 119.07(1), and debt collection or auditing agencies ~~and individuals or businesses with which the department has contracted under subsection (2)~~ shall be bound by the same requirements of confidentiality as the Department of Revenue. Breach of

HB 209

2006

confidentiality is a misdemeanor of the first degree, punishable as provided by ss. 775.082 and 775.083.

~~(7)-(8)~~ (a) The executive director of the department may enter into contracts with private vendors to develop and implement systems to enhance tax collections where compensation to the vendors is funded through increased tax collections. The amount of compensation paid to a vendor shall be based on a percentage of increased tax collections attributable to the system after all administrative and judicial appeals are exhausted, and the total amount of compensation paid to a vendor shall not exceed the maximum amount stated in the contract.

(b) A person acting on behalf of the department under a contract authorized by this subsection does not exercise any of the powers of the department, except that the person is an agent of the department for the purposes of developing and implementing a system to enhance tax collection.

(c) Disclosure of information under this subsection shall be pursuant to a written agreement between the executive director and the private vendors. The vendors shall be bound by the same requirements of confidentiality as the department. Breach of confidentiality is a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

Section 21. Subsection (1) and paragraphs (b) and (c) of subsection (3) of section 220.1845, Florida Statutes, are amended to read:

220.1845 Contaminated site rehabilitation tax credit. --

(1) AUTHORIZATION FOR TAX CREDIT; LIMITATIONS. --

HB 209

2006

(a) A credit in the amount of 35 percent of the costs of voluntary cleanup activity that is integral to site rehabilitation at the following sites is available against any tax due for a taxable year under this chapter:

1. A drycleaning-solvent-contaminated site eligible for state-funded site rehabilitation under s. 376.3078(3);

2. A drycleaning-solvent-contaminated site at which cleanup is undertaken by the real property owner pursuant to s. 376.3078(11), if the real property owner is not also, and has never been, the owner or operator of the drycleaning facility where the contamination exists; or

3. A brownfield site in a designated brownfield area under s. 376.80.

(b) A tax credit applicant, or multiple tax credit applicants working jointly to clean up a single site, may not be granted more than \$250,000 per year in tax credits for each site voluntarily rehabilitated. Multiple tax credit applicants shall be granted tax credits in the same proportion as their contribution to payment of cleanup costs. Subject to the same conditions and limitations as provided in this section, a municipality, county, or other tax credit applicant which voluntarily rehabilitates a site may receive not more than \$250,000 per year in tax credits which it can subsequently transfer subject to the provisions in paragraph (g)~~(h)~~.

(c) If the credit granted under this section is not fully used in any one year because of insufficient tax liability on the part of the corporation, the unused amount may be carried forward for a period not to exceed 5 years. The carryover credit

555 may be used in a subsequent year when the tax imposed by this
556 chapter for that year exceeds the credit for which the
557 corporation is eligible in that year under this section after
558 applying the other credits and unused carryovers in the order
559 provided by s. 220.02(8). Five years after the date a credit is
560 granted under this section, such credit expires and may not be
561 used. However, if during the 5-year period the credit is
562 transferred, in whole or in part, pursuant to paragraph (g)~~(h)~~,
563 each transferee has 5 years after the date of transfer to use
564 its credit.

565 (d) A taxpayer that files a consolidated return in this
566 state as a member of an affiliated group under s. 220.131(1) may
567 be allowed the credit on a consolidated return basis up to the
568 amount of tax imposed upon the consolidated group.

569 ~~(e) A taxpayer that receives credit under s. 199.1055 is~~
570 ~~ineligible to receive credit under this section in a given tax~~
571 ~~year.~~

572 (e)~~(f)~~ A tax credit applicant that receives state-funded
573 site rehabilitation under s. 376.3078(3) for rehabilitation of a
574 drycleaning-solvent-contaminated site is ineligible to receive
575 credit under this section for costs incurred by the tax credit
576 applicant in conjunction with the rehabilitation of that site
577 during the same time period that state-administered site
578 rehabilitation was underway.

579 (f)~~(g)~~ The total amount of the tax credits which may be
580 granted under this section ~~and s. 199.1055~~ is \$2 million
581 annually.

582 ~~(g)~~^(h) 1. Tax credits that may be available under this
583 section to an entity eligible under s. 376.30781 may be
584 transferred after a merger or acquisition to the surviving or
585 acquiring entity and used in the same manner and with the same
586 limitations.

587 2. The entity or its surviving or acquiring entity as
588 described in subparagraph 1., may transfer any unused credit in
589 whole or in units of no less than 25 percent of the remaining
590 credit. The entity acquiring such credit may use it in the same
591 manner and with the same limitation as described in this
592 section. Such transferred credits may not be transferred again
593 although they may succeed to a surviving or acquiring entity
594 subject to the same conditions and limitations as described in
595 this section.

596 3. In the event the credit provided for under this section
597 is reduced either as a result of a determination by the
598 Department of Environmental Protection or an examination or
599 audit by the Department of Revenue, such tax deficiency shall be
600 recovered from the first entity, or the surviving or acquiring
601 entity, to have claimed such credit up to the amount of credit
602 taken. Any subsequent deficiencies shall be assessed against any
603 entity acquiring and claiming such credit, or in the case of
604 multiple succeeding entities in the order of credit succession.

605 ~~(h)~~⁽ⁱ⁾ In order to encourage completion of site
606 rehabilitation at contaminated sites being voluntarily cleaned
607 up and eligible for a tax credit under this section, the tax
608 credit applicant may claim an additional 10 percent of the total
609 cleanup costs, not to exceed \$50,000, in the final year of

HB 209

2006

cleanup as evidenced by the Department of Environmental Protection issuing a "No Further Action" order for that site.

(3) ADMINISTRATION; AUDIT AUTHORITY; TAX CREDIT FORFEITURE.--

(b) In addition to its existing audit and investigation authority relating to ~~chapter 199~~ and this chapter, the Department of Revenue may perform any additional financial and technical audits and investigations, including examining the accounts, books, or records of the tax credit applicant, which are necessary to verify the site rehabilitation costs included in a tax credit return and to ensure compliance with this section. The Department of Environmental Protection shall provide technical assistance, when requested by the Department of Revenue, on any technical audits performed pursuant to this section.

(c) It is grounds for forfeiture of previously claimed and received tax credits if the Department of Revenue determines, as a result of either an audit or information received from the Department of Environmental Protection, that a taxpayer received tax credits pursuant to this section to which the taxpayer was not entitled. In the case of fraud, the taxpayer shall be prohibited from claiming any future tax credits under this section ~~or s. 199.1055~~.

1. The taxpayer is responsible for returning forfeited tax credits to the Department of Revenue, and such funds shall be paid into the General Revenue Fund of the state.

2. The taxpayer shall file with the Department of Revenue an amended tax return or such other report as the Department of

Revenue prescribes by rule and shall pay any required tax within 60 days after the taxpayer receives notification from the Department of Environmental Protection pursuant to s. 376.30781 that previously approved tax credits have been revoked or modified, if uncontested, or within 60 days after a final order is issued following proceedings involving a contested revocation or modification order.

3. A notice of deficiency may be issued by the Department of Revenue at any time within 5 years after the date the taxpayer receives notification from the Department of Environmental Protection pursuant to s. 376.30781 that previously approved tax credits have been revoked or modified. If a taxpayer fails to notify the Department of Revenue of any change in its tax credit claimed, a notice of deficiency may be issued at any time. In either case, the amount of any proposed assessment set forth in such notice of deficiency shall be limited to the amount of any deficiency resulting under this section from the recomputation of the taxpayer's tax for the taxable year.

4. Any taxpayer that fails to report and timely pay any tax due as a result of the forfeiture of its tax credit is in violation of this section and is subject to applicable penalty and interest.

Section 22. Paragraph (a) of subsection (2) and subsections (3), (8), and (12) of section 376.30781, Florida Statutes, are amended to read:

376.30781 Partial tax credits for rehabilitation of drycleaning-solvent-contaminated sites and brownfield sites in

HB 209

2006

666 designated brownfield areas; application process; rulemaking
667 authority; revocation authority.--

668 (2)(a) A credit in the amount of 35 percent of the costs
669 of voluntary cleanup activity that is integral to site
670 rehabilitation at the following sites is allowed pursuant to s.
671 ~~ss. 199.1055 and 220.1845~~:

672 1. A drycleaning-solvent-contaminated site eligible for
673 state-funded site rehabilitation under s. 376.3078(3);

674 2. A drycleaning-solvent-contaminated site at which
675 cleanup is undertaken by the real property owner pursuant to s.
676 376.3078(11), if the real property owner is not also, and has
677 never been, the owner or operator of the drycleaning facility
678 where the contamination exists; or

679 3. A brownfield site in a designated brownfield area under
680 s. 376.80.

681 (3) The Department of Environmental Protection shall be
682 responsible for allocating the tax credits provided for in s.
683 ~~ss. 199.1055 and 220.1845~~, not to exceed a total of \$2 million
684 in tax credits annually.

685 (8) On or before March 1, the Department of Environmental
686 Protection shall inform each eligible tax credit applicant of
687 the amount of its partial tax credit and provide each eligible
688 tax credit applicant with a tax credit certificate that must be
689 submitted with its tax return to the Department of Revenue to
690 claim the tax credit or be transferred pursuant to ~~s.~~
691 ~~199.1055(1)(g) or~~ s. 220.1845(1)(h). Credits will not result in
692 the payment of refunds if total credits exceed the amount of tax
693 owed.

HB 209

2006

(12) A tax credit applicant who receives state-funded site rehabilitation under s. 376.3078(3) for rehabilitation of a drycleaning-solvent-contaminated site is ineligible to receive a tax credit under ~~s. 199.1055~~ or s. 220.1845 for costs incurred by the tax credit applicant in conjunction with the rehabilitation of that site during the same time period that state-administered site rehabilitation was underway.

Section 23. Subsection (13) of section 493.6102, Florida Statutes, is amended to read:

493.6102 Inapplicability of this chapter. --This chapter shall not apply to:

(13) Any individual employed as a security officer by a church or ecclesiastical or denominational organization having an established physical place of worship in this state at which nonprofit religious services and activities are regularly conducted or by a church cemetery ~~religious institution as defined in s. 199.183(2)(a)~~ to provide security on the institution property of the organization or cemetery, and who does not carry a firearm in the course of her or his duties.

Section 24. Paragraph (b) of subsection (4) of section 650.05, Florida Statutes, is amended to read:

650.05 Plans for coverage of employees of political subdivisions.--

(4)

(b) The grants-in-aid and other revenue referred to in paragraph (a) specifically include, but are not limited to, minimum foundation program grants to public school districts and community colleges; gasoline, motor fuel, ~~intangible~~, cigarette,

HB 209

2006

722 racing, and insurance premium taxes distributed to political
723 subdivisions; and amounts specifically appropriated as grants -
724 in-aid for mental health, mental retardation, and mosquito
725 control programs.

726 Section 25. Subsection (1) of section 655.071, Florida
727 Statutes, is amended to read:

728 655.071 International banking facilities; definitions;
729 notice before establishment.--

730 (1) "International banking facility" means a set of asset
731 and liability accounts segregated on the books and records of a
732 banking organization, as that term is defined in s. 201.23
733 ~~199.023~~, that includes only international banking facility
734 deposits, borrowings, and extensions of credit, as those terms
735 shall be defined by the commission pursuant to subsection (2).

736 Section 26. Effective January 1, 2009, subsections (5) and
737 (6) of section 733.702, Florida Statutes, are amended to read:

738 733.702 Limitations on presentation of claims.--

739 ~~(5) The Department of Revenue may file a claim against the~~
740 ~~estate of a decedent for taxes due under chapter 199 after the~~
741 ~~expiration of the time for filing claims provided in subsection~~
742 ~~(1), if the department files its claim within 30 days after the~~
743 ~~service of the inventory. Upon filing of the estate tax return~~
744 ~~with the department as provided in s. 198.13, or to the extent~~
745 ~~the inventory or estate tax return is amended or supplemented,~~
746 ~~the department has the right to file a claim or to amend its~~
747 ~~previously filed claim within 30 days after service of the~~
748 ~~estate tax return, or an amended or supplemented inventory or~~

HB 209

2006

~~filing of an amended or supplemental estate tax return, as to
the additional information disclosed.~~

~~(5)(6)~~ Nothing in this section shall extend the
limitations period set forth in s. 733.710.

Section 27. Effective upon this act becoming a law, the
executive director of the Department of Revenue may adopt
emergency rules under ss. 120.536(1) and 120.54, Florida
Statutes, to implement chapter 199, Florida Statutes, and all
conditions are deemed met for the adoption of such rules.
Notwithstanding any other provision of law, such emergency rules
shall remain effective for 6 months after the date of adoption
and may be renewed during the pendency of procedures to adopt
rules addressing the subject of the emergency rules.

Section 28. Except as otherwise expressly provided in this
act, this act shall take effect January 1, 2007.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (1)

Bill No. 209

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Finance & Tax Committee

2 Representative(s) Brummer offered the following:

3
4 **Amendment**

5 Remove line(s) 189-190 and insert:

6 a leasehold or other interest defined by s. 199.023(1)(d),
7 Florida Statutes 2005, subject to the provisions of

8
9
000000

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (2)

Bill No. 209

COUNCIL/COMMITTEE ACTION

ADOPTED _____ (Y/N)

ADOPTED AS AMENDED _____ (Y/N)

ADOPTED W/O OBJECTION _____ (Y/N)

FAILED TO ADOPT _____ (Y/N)

WITHDRAWN _____ (Y/N)

OTHER _____

Council/Committee hearing bill: Finance & Tax Committee

Representative(s) Brummer offered the following:

Amendment

Remove line(s) 192-193 and insert:

only as intangible personal property pursuant to chapter 199,
Florida Statutes 2005, if rental payments are due

000000

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (3)

Bill No. 209

COUNCIL/COMMITTEE ACTION

ADOPTED _____ (Y/N)

ADOPTED AS AMENDED _____ (Y/N)

ADOPTED W/O OBJECTION _____ (Y/N)

FAILED TO ADOPT _____ (Y/N)

WITHDRAWN _____ (Y/N)

OTHER _____

Council/Committee hearing bill: Finance & Tax Committee

Representative(s) Brummer offered the following:

Amendment

Remove line(s) 196-197 and insert:

provisions of chapter 199, Florida Statutes 2005, shall apply to
taxation of such leaseholds. If no rental

000000

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (4)

Bill No. 209

COUNCIL/COMMITTEE ACTION

ADOPTED _____ (Y/N)
ADOPTED AS AMENDED _____ (Y/N)
ADOPTED W/O OBJECTION _____ (Y/N)
FAILED TO ADOPT _____ (Y/N)
WITHDRAWN _____ (Y/N)
OTHER _____

Council/Committee hearing bill: Finance & Tax Committee

Representative(s) Brummer offered the following:

Amendment

Remove line(s) 355-360 and insert:

pursuant to this chapter, except for revenues derived from the
annual tax on a leasehold described in s. 199.023(1)(d), Florida
Statutes 2005, shall be deposited into the General Revenue Fund.
Revenues derived from the annual tax on a leasehold described in
s. 199.023(1)(d), Florida Statutes 2005, shall be returned to
the local school board for the county in which the property
subject to the leasehold is situated.

000000

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (5)

Bill No. 209

COUNCIL/COMMITTEE ACTION

ADOPTED _____ (Y/N)

ADOPTED AS AMENDED _____ (Y/N)

ADOPTED W/O OBJECTION _____ (Y/N)

FAILED TO ADOPT _____ (Y/N)

WITHDRAWN _____ (Y/N)

OTHER _____

Council/Committee hearing bill: Finance & Tax Committee

Representative(s) Brummer offered the following:

Amendment

Remove line(s) 237-240 and insert:

apply to:

(a) Any leasehold or other interest that is described in
s. 199.023(1)(d), Florida Statutes 2005.

(b) property related to the provision of two-way

000000